of the Excise Department for those years. The total of the quantities shown under 'Sale by Government' and 'Transport to depôts' will serve both as reserve and for sale locally on behalf of the Government.

Contracts for Opium and Ganja.

196. **MR. T. KUMARA PILLAI** (*Kalkulam* cum *Vilavankod*): (1) With reference to interpellation No. 33 and the supplementary questions thereto asked at the meeting of the Council held on the 22nd Karkatakam 1100, will the Government be pleased to furnish information on the following points —

(*a*) the quantity of opium and ganja sold from the shop at Quilon which was auctioned for Rs. 6,455 in 1097 and 1098, for Rs. 3,700 in 1099, and for Rs. 3,900 in 1100;

(*b*) the quantity of opium and ganja sold from the Trivandrum shop during the same period, and the amounts for which this shop was auctioned for the respective years;

(*c*) how it was ascertained that the auction amount for the Quilon shop during 1097 and 1098 was much higher than the demand;

(*d*) if it was known that it was much higher, how sanction was accorded for the confirmation of the auction for a still higher rate in the previous year;

(*e*) whether the policy adopted in 1099 and 1100 to sell the shop at a lesser amount than the previous years was followed in the case of other shops also;

(*f*) whether this policy relates to toddy and arrack shops also;

(*g*) whether the shops are auctioned after ascertaining the quantity sold in each shop; and

(*h*) whether there are instances in contradiction to this policy, and if so, what it is due to?

(2) (*a*) With reference to the answer to part (*c*) of question No. 33 in which it is stated that, as there was no competition, the shop fetched a rental commensurate with the consumption of opium and ganja, will the Government be pleased to state whether it is usual to reauction the shops when, for want of competition or for other reasons, the rental fetched is less than that for the previous years?

(*b*) Has any of the shops been reauctioned that year owing to reduced rental, and higher rentals obtained?

(*c*) If the answer to the above question is in the affirmative, will the Government be pleased to lay on the table a statement showing the names of the shops so reauctioned, and the excess rentals obtained?

(*d*) Have the Government now come to know of the reasons that prevented the reauctioning of the Quilon shop in the above circumstances?

(*e*) If the answer is in the negative, will the information be supplied after enquiry?

(3) (*a*) With reference to the answer to part (*c*) of question No. 33, *viz.*, "For the 1099 contract, the latter was excluded from the auction sale since he was convicted of malpractices relating to opium and

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ganja", will the Government be pleased to state whether this statement was made in regard to Mr. Govinda Pillai Velayudhan Pillai?

(*b*) If the answer is in the affirmative, does the statement relate to case No. C. A. 338 of 1097 of the First Class Magistrate's Court, Quilon?

(*c*) Has Mr. Velayudhan Pillai been convicted in the said judgment?

(*d*) If not, how is the statement 'convicted of malpractices' justified?

(*e*) Has this judgment come to the notice of the Government?

(*f*) Who was the Assistant Excise Commissioner at Quilon when the case originated?

(*g*) What is the reference made about him in the judgment?

(*h*) Have the Government enquired into the matter or taken any steps in respect of it?

(*i*) If that judgment has not yet been perused by the Government, will they be pleased to call for it and take the necessary steps after examining the same?

(*j*) Is it stated in the above judgment that the private diary of the contractor referred to in the *mahazar* has not been produced?

(*k*) Is it stated in the private diary, in the accounts for December 1920, that any of the Excise Officers has illegally obtained money from that shopman or his agent? Will the Government be pleased to call for that diary and examine it and state who obtained the money?

(*l*) When a case is lodged against a person, and when the Court acquits him, do the Government usually call him an offender?

(*m*) What is the reason for the statement 'convicted of malpractices' in regard to Mr. Velayudhan Pillai?

(*n*) When cases are instituted against Government servants and when they are acquitted by the courts, are such persons re-entertained in Government service? If the answer is in the affirmative, why was Mr. Velayudhan Pillai not given the contract and why was he excluded from the auction sale?

(*o*) Subsequent to the case against Mr. Velayudhan Pillai, has he been given contracts in the Excise or other Departments? If the answer is in the affirmative, how many shops in the Excise Department have been given on contract in the years 1097, 1098, 1099 and 1100, respectively, what their rentals are, and what was the value of the contracts in the other departments?

(*p*) If Mr. Velayudhan Pillai has been given contracts after 1097, why were his disqualifications mentioned in the Government order not noticed?

(4) (*a*) With reference to the answer to a supplementary question to interpellation No. 33, wherein it was asserted that the Government's statement that the opium and ganja shop at Trivandrum was not

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reauctioned in 1099 was not true, will the Government be pleased to state whether they have enquired into it and ascertained the truth ?

(*b*) If the answer is in the affirmative, what is the result of the enquiry ?

(*c*) Will the Government also state whether that shop was auctioned to Mr. Joseph for a rental of Rs. 1,200 or for any higher amount ?

MR. P. N. KRISHNA PILLAI (*Ag. Secretary to Government*): (1) (*a*) The information required by the member is given below :—

	Year.	*Quantity sold.* Opium Srs.	Ganja Srs.
Opium and Ganja shop No. 1, Quilon.	1097	63	153
	1098	57½	123
	1099	52	186

(*b*) The information required by the member is given below :

	Year.	*Quantity sold.* Opium Srs.	Ganja Srs.	*Annual rental.* Rs.
Opium and Ganja shop No. 1, Trivandrum.	1097	35 Srs. 20 tolas	148½	5,705
	1098	37½	202½	5,705
	1099	35	232½	4,700

(*c*) The real value of an opium and ganja shop depends upon the quantity of opium and ganja sold therefrom. The issue prices of the stuff as well as the retail prices charged by the shop-holder are known. The difference between these two prices will give an indication of the rental that the shop can fetch. By an application of this principle in ascertaining the real value of the shop, the rental obtained for opium and ganja shop No. 1 at Quilon for 1097 and 1098 was found to be too high.

(*d*) The rental for 1097-1098 was Rs. 6,455 and that for the previous year was only Rs. 5,795. Hence the question does not arise.

(*e*) It is not the policy of the department to sell the shops for less amounts than in the previous years, but to sell the shops for reasonable rentals.

(*f*) The policy referred to in the answer to part (*e*) is followed in the case of arrack and toddy shops also.

(*g*) Yes.

(*h*) There may be a few instances due to various causes, such as, for instance, the excitement in the auction room, and desire to keep a shop formerly owned or to drive out a hated rival, which have often forced up rentals to such a height that a successful bidder cannot make an honest profit. An auctioning officer, if he has the true interests of the independent shop system at heart, should ordinarily confirm the auction when a reasonable figure has been reached.

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(2) (*a*) By 'rivalry' was meant improper competition, not fair competition. When fair competition is absent, the shops are reauctioned or otherwise disposed of according to the terms of the sale notice.

(*b*) and (*c*) The Government do not propose to furnish a statement giving the information as the amount of time and labour involved in preparing it is not commensurate with the benefit that would accrue therefrom.

(*d*) The question is not clear.

(*e*) In view of the answer to part (*d*), this does not arise.

(3) (*a*) Yes.

(*b*) No.

(*c*) No.

(*d*) He was convicted in the lower court.

(*e*) Yes.

(*f*) Mr. C. E. Kesava Pillai, B. A.

(*g*) It is stated that his action in taking the books from the appellant's shop "was not legitimate":

(*h*) No.

(*i*) In view of answer to part (*e*), this does not arise.

(*j*) No.

(*k*) Government do not think that any useful purpose will be served by doing so.

(*l*) No.

(*m*) The case against Govinda Pillai Velayudhan Pillai was the sequel to a case of unlicensed sale from Velayudhan Pillai's shop of half a seer of opium to a man from Tenkasi. In this case, both the man from Tenkasi and Velayudhan Pillai's servant, the seller, were convicted and their conviction was upheld on appeal. Under clause 37 of the license issued to Govinda Pillai Velayudhan Pillai, he was responsible for the misdeeds of his servants. From an examination of Velayudhan Pillai's accounts, it was found that a series of malpractices relating to opium were regularly carried on by him and his nephew. The fact that one such instance detected in the shop for which his seller was convicted, which conviction was upheld on appeal, is proof that Velayudhan Pillai is guilty of malpractices relating to opium. His acquittal in another case does not help him. The department has to take care that it does not engage men of questionable repute for vending opium and ganja. In the circumstances, it would be suicidal to encourage a man like Velayudhan Pillai to take up any opium and ganja shop.

(*n*) The answer to the first part is in the affirmative. A contractor's case is not on all fours with that of a Government servant. In Velayudhan Pillai's case, it was not considered safe to entrust any opium and ganja shop to him for the reasons given in the answer to part 3 (*m*).

(*o*) Yes. The information is furnished below as far as the Excise Department is concerned.

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Year.	*Shops.*	*Rental per annum.*
		Rs.
1096-1097	Toddy shop No. 25 Quilon taluk.	700
Do.	Arrack shop No. 4 Quilon taluk.	155
Do.	Do. No. 2 Kottarakara taluk.	300
Do.	Do. No. 9 Trivandrum taluk.	2,405
Do.	Do. No. 13 Trivandrum taluk.	2,500
1100-1101	Do. No. 14 Quilon taluk.	415
1097-1098	Opium and Ganja shop No. 5 Quilon taluk.	370
Do.	Do. No. 1 Kottarakara taluk.	1,365
Do.	Do. No. 2 Pattanapuram taluk.	500
Do.	Do. No. 4 Do.	435
Do.	Do. No. 2 Kunnattur taluk.	500
Do.	Do. No. 1 Neduvangad taluk.	590
Do.	Do. No. 1 Trivandrum taluk.	5,705
Do.	Do. No. 2 Do.	350

(*p*) The arrack and toddy shops for 1096-1097 were bid for by him at the close of 1095 when there was no case against him. The opium and ganja shops were purchased by him in 1096 before the detection of the case against him. For 1100-1101 only one arrack shop was given to him, since he was not known to have committed any malpractices relating to arrack.

(4) (*a*) Yes.

(*b*) Government have known that there was no reauction.

(*c*) The shop was confirmed in the name of Mr. Joseph for Rs. 4,200.

Mr. Joseph and the Ganja and Opium Contract.

197. **MR. T. KUMARA PILLAI** (*Kalkulam* cum *Vilavankod*) With reference to the answer to interpellation No. 35, asked at the meeting of the Council held on the 22nd Karkatakam 1100, will the Government be pleased to furnish information on the following points: –

(*a*) when the opium and ganja shop at Quilon was bid for Rs. 3,800 for the year 1100, and when Mr. Joseph, Lakshmivilakan Bungalow, Trivandrum, petitioned that he was prepared to bid for Rs. 4,200, why the Government accepted the recommendation of the Excise Commissioner that the contract should not be given to Mr. Joseph and that it should be confirmed in the name of the original bidder;

(*b*) from what year has Mr. Joseph been bidding at auction for shops in the Excise Department; whether, since that time, he has made any default and been punished for such default; if he has been punished, when and what punishment he has been awarded;

(*c*) if Mr. Joseph is running the contracts taken by him without default, why his offer to bid the Quilon shop for a higher amount was declined; and

(*d*) who is responsible for the loss incurred by accepting the contract at a lower amount, and declining the higher offer contained in the petition forwarded direct to the Government?

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